

FISCAL YEAR 2027 FEDERAL BUDGET FACT SHEET

(REVISED JULY 1, 2026)

BACKGROUND



This fact sheet provides an update of the federal budget process and where things stand for the fiscal year 2027 (FY 2027) budget currently progressing through Congress. When enacted, this budget will run from October 1, 2026 through September 30, 2027.

Please note that this document focuses on the Department of Education budget because this is where many federal funds for many family, school, and community engagement (FSCE) programs are located. Other programs are not included in some of the details in this fact sheet because they are not housed in the Department of Education, but they may also provide family engagement services (for example, Head Start is contained in the Department of Health and Human Services budget).

BUDGET PROCESS



Each year, the budget process begins with the President's proposed budget. The President's proposal is a suggestion to Congress, but without congressional action, it has no power on its own. Congress is free to align with the President's proposal or to advance its own priorities.

After the President's proposal, Congress develops its appropriations packages. This work begins in subcommittees within the Committee of Appropriations in each chamber of Congress – the House of Representatives and the Senate. The bills will likely look different as they progress through each chamber. When this happens, the House bill and Senate bill will need to be negotiated into a single bill that must be approved in each chamber. Then, once the identical bill is passed in each chamber, the President can either sign or veto the bill. If signed, it is then an enacted budget.

When Congress is unable to reach agreement on a new appropriations package, it will often pass a "continuing resolution." This continues funding the various federal agencies at the same levels they were previously funded, typically for a set amount of time to allow for Congress to continue negotiations over a full appropriations bill. If no budget or continuing resolution are passed, the government shuts down operations. We saw a prolonged government shutdown in October and November 2025 for this reason.

WHAT IS THE STATUS OF FY 2027 BUDGET NEGOTIATIONS?



In April 2026, the President submitted his budget proposal. In June 2026, the House Committee on Appropriations passed its budget package that includes the Department of Education, but this budget has not yet been approved by a full vote of the House. The Senate has not yet released a version of the Department of Education appropriations. This year, Congress is in recess in both August and October so it is not anticipated much work, if any, will happen during those months.

WHAT DOES THE CURRENT HOUSE BILL DO TO FSCE PROGRAMS?



The table below shows the funding and proposed funding for several programs. The first six programs are those that most directly fund FSCE work. The other programs may also fund family engagement activities, although FSCE may not be their primary focus. The first column is the program name, the second column is the amount for this program in the FY 2026 budget, the third column is the amount for that program in the current House version of the FY 2027 budget, and the fourth is what percent change the House version would represent compared to the previously passed budget.

Program (in thousands of dollars)	FY 2026 Budget	FY 2027 House Version (June 2026)	FY 2027 House Version % Change
Statewide family engagement centers (ESEA IV-E)	20	0	-100%
Full-service community schools (ESEA IV-F-2, section 4625)	150	0	-100%
Promise neighborhoods (ESEA IV-F-2, section 4624)	91	0	-100%
21st century community learning centers (ESEA IV-B)	1,329,673	1,329,673	0%
Parent information centers (IDEA sections 671-673)	33,152	33,152	0%
Title I Grants to Local Education Agencies	18,426,802	16,790,647	-9%
State assessments (ESEA I-B, section 1201-1203)	380	0	-100%
Supporting effective instruction State grants (ESEA II-A)	2,190,080	0	-100%
Education for homeless children and youths (MVHAA Title VII-B)	129	129	0%
Student support and academic enrichment grants (ESEA IV-A)	1,380,000	1,385,000	4%
Rural education (ESEA V-B)	225	230	2%
Javits gifted and talented education (ESEA IV-F-4, section 4644)	16,5	0	-100%
English language acquisition (ESEA III-A)	890	0	-100%
Migrant education (ESEA I-C)	375,626	0	-100%
Supporting effective educator development (SEED) (ESEA II-B-4, section 2242)	90	0	-100%
Comprehensive centers (ETAA section 203)	50	0	-100%
Teacher and school leader incentive grants (ESEA II-B-1)	60	0	-100%
Ready-to-learn programming (ESEA IV-F-4, section 4643)	31	0	-100%
Training and advisory services (CRA IV)	6,575	0	-100%
State personnel development (IDEA subpart 1)	38,63	38,63	0%
Personnel preparation (IDEA section 662)	115	115	0%

WHAT NEXT? ?

It's important to remember that negotiations are ongoing and now is the time to act. The Senate still needs to complete its funding proposals, and then the two chambers of Congress must negotiate any differences that exist.

Last year, the situation looked very similar - the House proposed steep cuts and the Senate proposed stable funding. Ultimately, the final budget more closely resembled the Senate proposal. This was a win for the field, and shows how important it is to tell your stories and show Congress the importance of these funds.

Use this information when you contact your representatives and help ensure family, school, and community engagement programs remain funded.

WILL THIS IMPACT MY SCHOOL? 🏫

Most likely, yes. Many schools receive funding from the programs outlined in this budget, though you may know them by a different name. Program titles vary from state to state and even district to district, so a program at your school may be funded by one of these federal sources but be called something else.

The best way to find out is simple: ask your school or district leadership or finance person whether any of your programs are funded by the federal sources listed here. The answer may surprise you and knowing which programs are at risk in your own community is one of the most powerful things you can bring to a conversation with your representatives. Personal, local stories move people.